



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN No. 1516 (1940)

December 22, 1986

SUBJECT: Insured Farm Ownership Funds

TO: State Directors, State Directors-at-Large,
District Directors, and County Supervisors, FmHA

Purpose/Intended Outcome:

The Purpose of this Administrative Notice (AN) is to provide guidance for utilizing the Insured Farm Ownership (FO) allotment for Fiscal Year 1987.

Comparison with Previous AN:

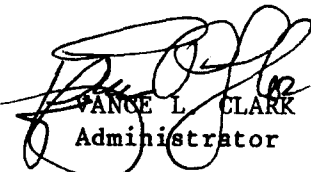
There is no previous AN issued on this subject.

Implementation Responsibilities:

The insured FO allotment for Fiscal Year 1987 is \$75,000,000. Since the allocation to each State is limited, consideration should be given to assist applicants who are unable to continue their present farming operations without insured FmHA loan assistance.

Refinancing should be limited to applicants that have proven acceptable records and ability but would be forced out of business if the loan is not immediately refinanced. FO loans to purchase land to start new operations should be carefully evaluated and discouraged when leased land is available at less cost.

The requirements outlined in FmHA Instruction 1910-A regarding processing loans by date order should be carefully observed. Applicant preference should be considered for veterans, present FmHA borrowers, and applicants from closed banks. A limited amount of funds are available in the National Reserve. Exhibit A of FmHA Instruction 1940-L outlines the manner in which FO funds are to be requested.


VANCE L. CLARK
Administrator

Expiration Date: September 30, 1987 Filing Instructions: Preceding
Instruction 1940-L

Sent by electronic mail on 12/23/86 at 1:40 pm. by ASD/IMPS.
The State Director will immediately provide a copy of this AN to all
District and County Offices.



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Secretary of Agriculture, Washington, D.C. 20250